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HOLLY L. WOLCOTT
DIVISION HEAD

September 13, 2005

Honorable Members of the City Council
City Hall, Room 395
200 North Spring Street
Los Angeles, California 90012

REGARDING: APPROVAL OF THE LARCHMONT VILLAGE PROPERTY AND
BUSINESS IMPROVEMENT DISTRICT'S 2005 FISCAL YEAR
ANNUAL PLANNING REPORT

Honorable Members:

This Office has received the Annual Planning Report for the Larchmont Village Property and Business Improvement District's ("District") 2005 fiscal year (CF 01-2685). The Owner's Association of the District has caused to be prepared and submitted the Annual Planning Report for City Council approval. In accordance with Section 36600 et seq. of the California Streets and Highways Code ("State Law"), an annual report for the District must be submitted for approval by the City Council. The District Annual Planning Report for the 2005 fiscal year is presented with this Report for City Council consideration as "Attachment 1."

BACKGROUND

The District was established on October 2, 2002 by and through the City Council's adoption of Ordinance No. 174,873, which confirmed the assessments to be levied upon properties within the District, as described in the District's management district plan. The City Council established the District pursuant to State Law.

ANNUAL REPORT REQUIREMENTS

The State Law requires that the District's Owner's Association shall cause to be prepared, for City Council approval, an annual report for each fiscal year for which assessments are to be levied and collected to pay for the costs of the improvements and activities described in the report.

The report shall be filed with the City Clerk and shall refer to the District by name, specify the fiscal year to which the report applies, and, with respect to that fiscal year,



shall contain all of the following: any proposed changes in the boundaries of the District or in any benefit zones within the District; the improvements and activities to be provided for that fiscal year; an estimate of the cost of providing the improvements and the activities for that fiscal year; the method and basis of levying the assessment in sufficient detail to allow each real property owner to estimate the amount of the assessment to be levied against his or her property for that fiscal year; the amount of any surplus or deficit revenues to be carried over from a previous fiscal year; and the amount of any contributions to be made from sources other than assessments levied.

The attached Annual Report complies with the requirements of State Law and reports that programs will continue as outlined in the management district plan adopted by the District property owners. The City Council may approve the Annual Planning Report as filed by the Owner's Association or may modify any particular contained in the Annual Planning Report and approve it as modified.

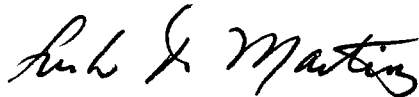
FISCAL IMPACT

There is no impact to the General Fund associated with this action.

RECOMMENDATIONS

1. FIND that the attached Annual Planning Report complies with the requirements of the State Law.
2. ADOPT the attached Annual Planning Report for the District's 2005 fiscal year, pursuant to the State Law.

Sincerely,

A handwritten signature in black ink, appearing to read "Frank T. Martinez", with a stylized, cursive script.

Frank T. Martinez
City Clerk

FTM:KEK:HLW:amf

Attachment: District Annual Planning Report

Larchmont Village Property Owners Association
200 North Larchmont Boulevard
Los Angeles, California 90004-3703
Phone (323) 463-4220
Fax (323) 463-4412
tkneafse@pacbell.net

June 7, 2005

Mr. Angus McKenzie
Administrative Services
Office of the City Clerk, Room 224
200 North Spring Street
Los Angeles, CA 90012

Dear Mr. McKenzie:

**Re: Activity and Budget Report For Fiscal Year 2004 and Annual Planning
Report for Fiscal Year 2005**

As required by Section 2 (B) of the Agreement between the City of Los Angeles and the Larchmont Village Property Owners Association, this submittal constitutes the Activity Report for the Year VII (Fiscal Year 2004) of the Larchmont Village Business Improvement District, and the Budget Report for Year VIII (Fiscal Year 2005).

The Larchmont Village property-based Business Improvement District (LVPBID), a two block long (1 single, uninterrupted block) corridor, is located within the heart of historic Larchmont Village, bounded on the north by Beverly Boulevard and on the south by First Street. Larchmont Village attracts thousands of tourists each year by its graceful, charming ambience, and also, with its broad range of retail destinations, serves the day-to-day shopping needs of the surrounding residential neighborhood.

The LVPBID was established by City Council ordinance on August 5, 1997. Its first year of operations (and fiscal year) commenced on January 1, 1998 with a Year 1 budget of \$40,000 to accomplish the following activities, which addressed, the priorities within the Management Plan.

In broad terms, the purpose and focus of the LVPBID was to upgrade the exterior environment for shoppers, tourists, business owners and their employees. Specifically, this focus included maintaining, as budget allowed, the surface of the sidewalks with regular pressure cleaning; annual trimming of the ficus trees; providing a sidewalk porter at least one day a week to keep the sidewalks and gutters free of litter; and, on a phased, multi-year schedule, carry out repairs of the sidewalk where the ficus tree roots had caused severe and hazardous buckling.

2004 (Year VII) Activities

Maintenance

Sidewalk Maintenance: The LVBID continued a contract throughout this year for monthly pressure cleaning of the east and west side of Larchmont Boulevard between 1st Street and Beverly Blvd. The vendor is The Resource Collection, who is also responsible for pressure cleaning the lids on the sidewalk trash receptacles on the 2nd Tuesday of each month. This also includes the contract for a 3-yard trash container that is placed in the City parking lot and used by the porter for trash collection.

Sidewalk Porter: The LVBID continued a contract throughout this year for weekly sidewalk porter service from a single individual who works under close supervision of the merchants. The porter services the Boulevard, picking up litter on the sidewalks and from around the receptacles, every Saturday between 11:00 am and 3:00 pm. Starting in the 4th quarter the porter hours have been increased to include 2 hours on Sunday, 12 noon to 2 pm and on Thursdays 12 noon to 4 pm.. The is a result of the increased traffic due to the farmers market operating in the City parking lot from 10AM to 2PM on Sundays only.

Maintenance Supplies: This is a new budget item that was included in Year III.

Tree Trimming: The LVBID assumed the responsibility of trimming the district's 45 mature ficus trees and 1 palm tree to ensure trimming was accomplished to the City's specifications, and to ensure aesthetic consistency. The LVBID went out to bid and received a wide range in bids from \$11,000 up to \$30,000. Even though the PBID had only been paying \$5,200 from the previous contractor, the PBID was not pleased with the service. Trimming Land Co. Inc. was chosen and the price was \$11,000. There was a significant improvement in the quality and timing of this company.

Sidewalk Repair: Beyond instituting regular maintenance of the sidewalks and trees, the management Plan noted the need to correct physical hazards on the sidewalks that had been caused by uplifted tree roots, which created a very real liability risk to the adjoining property owners and the City of Los Angeles.

Based upon a consulting study that was performed in 1998, a First Phase of repair was designated, consisting of approximately 1,800 sq. ft of sidewalk on the northeast side of Larchmont Boulevard. This work included root treatment for six trees, installation of root barriers and installation of new sidewalk. The Resource Collection was retained to undertake the First Phase of sidewalk repair.

Although the First Phase work was engineered during fiscal year 1999, the actual construction and root treatment did not begin until January 2000. Over a period of six weeks, the sidewalk was removed, tree roots trimmed under the supervision of the City Department of Street trees, root barriers were installed around 3 sides of each tree, and new sidewalk installed. The work was coordinated with the City Department of

Transportation who oversaw the removal and reinstallation of parking meters, the Department of Public Works who inspected the sidewalk removal and reinstallation, and the Department of Street Trees.

Sections A and B were completed in Year III and Section C was completed during 2001. In 2002 repairs were undertaken at two locations, 119 N. Larchmont (Coldwell Banker building) and 223 to 225-1/2 N. Larchmont (Wine shop, Noni & Girasole). The property owners paid \$19,675.00 and the BID paid for the City 10' portion at a cost of \$13,093.00.

A bid was received from RGA Construction. for the repairs of damaged sidewalks from 131 N. Larchmont through 141-1/2 N. Larchmont. This consists of 136 lineal feet of sidewalk frontage. The total cost of the project was \$25,000 of which the BID will be responsible for \$17,000. The work was completed in the last quarter at a total cost \$21,759.50 with two property owners reimbursing the BID for work done on their 5' setback in the amount of \$8,075.81 for a net cost to the BID of \$13,683.69.

Insurance

Directors and Officers insurance premiums are paid in the 3rd quarter of each year.

Adm./Mgt Services

Metropolitan Holding Company provides the day to day management of the BID and charges \$350 per month.

Sidewalk Security

This is a new category for the renewed BID. The merchant's association had been paying for a part time security guard who provided both safety and assisted people that had problems because of the uneven sidewalks caused by the ficus tree roots. The BID agreed to help with the cost of the security guard, which was started with the holiday season, Christmas 2002. The total budget for this category is an annual of \$24,000. The BID contributes \$1,666.67 per month.

A list of all fiscal year 2004 expenditures, compared to the projected fiscal year 2005 budget is included with this report as Attachment A.

Fiscal Year 2005 Projected Activities

Revenues

The anticipated Fiscal Year Assessment Revenue projection is \$68,800 with a projected collection total of \$66,000.

Activities

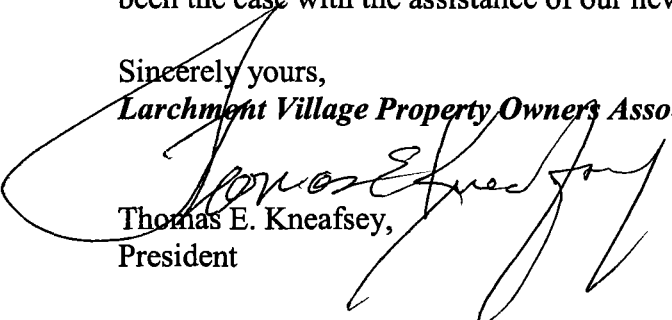
Fiscal Year 2005 activities will largely represent a continuation of activities begun in 1998 with the exception of adding a part time security guard to the boulevard. This was approved by the property owners with the renewal of the BID for a new term of 10 years.

Conclusion

Thank you for your assistance throughout the last 7 years of the LVPID's operation and Larchmont Property Owners Association looks forward to the next 8 years of success in this program. Your office has been very helpful in guiding this volunteer program as has been the case with the assistance of our new 4th District Councilman, Tom La Bonge.

Sincerely yours,

Larchmont Village Property Owners Association


Thomas E. Kneafsey,
President

Attachment (1)

Larchmont Village Property Business Improvement District		
2004 Expenditures		
2005 Projected Budget		
	Fiscal Year 2004	Fiscal Year 2005
	Annual Expenditures	Annual Budget
<u>Statement of Activities</u>	<u>1/1/04 - 12/31/04</u>	<u>1/1/05 - 12/31/05</u>
Support and Revenue		
Projected Assessment		68,800.00
Assessment Revenue	63,543.35	66,000.00
Reimbursement	8,075.81	
Interest Income	23.22	50.00
Balance from Prior Year	22,819.61	\$17,405.00
Total Revenue	94,461.99	83,455.00
Expenses		
Sidewalk Cleaning	7,369.89	8,700.00
Sidewalk Porter	7,500.00	13,500.00
Sidewalk Supplies	333.03	2,500.00
Trash Liners (LBA)	804.00	
Tree Trimming	11,000.00	12,000.00
Sidewalk Repair	19,759.50	15,500.00
Administrative	4,015.71	4,200.00
Insurance	4,270.00	4,500.00
Adm./Mgt. Services	364.30	200.00
Taxes/Fees/Permits	640.00	100.00
Sidewalk Security	20,000.04	22,000.00
Miscellaneous	1,000.00	200.00
Total Expenses	77,056.47	83,400.00
Balance Remaining	17,405.52	55.00

**Larchmont Village Property Owners Association
200 North Larchmont Boulevard
Los Angeles, California 90004-3707**

Phone (323) 463-4220

Fax (323) 463-4412

Email: tkneafse@pacbell.net

May 24, 2005

Fax; 213-978-1130
(VIA: U.S. MAIL & FACSIMILE)

Mr. Angus McKenzie
Administrative Services
Office of the City Clerk
Room 224
200 North Spring Street
Los Angeles, CA 90012

**Re: Larchmont Village Business Improvement Management Plan
Specific Annual Adjustments to the 2005-06 Annual Budget**

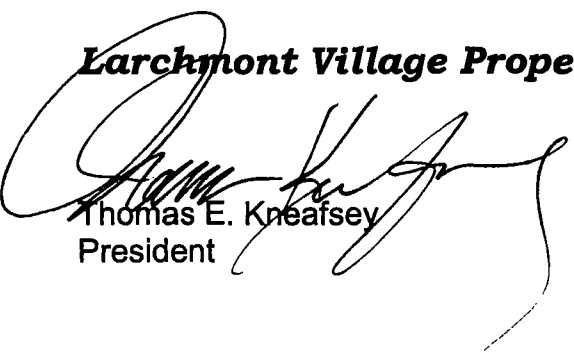
Dear Mr. McKenzie:

As specified in the Larchmont Village Business Improvement District Management Plan, paragraph 3.4 SPECIFIC ANNUAL ADJUSTMENTS, the PBID Advisory Board has **approved** an increase of 3.0%. This amount is consistent with the annual increase in the Los Angeles/Long Beach Consumer Price Index (CPI) for all urban consumers as indicated on the attached print out by the Department of Labor. The actual change for the period of January 2004 to December 2005 was 4.4% however our management plan only allows a maximum of 3%.

If you have any questions, please do not hesitate to contact me.

Sincerely yours,

Larchmont Village Property Owners Association



Thomas E. Kneafsey
President

Larchmont Village Property Owners Association

200 North Larchmont Boulevard

Los Angeles, California 90004-3707

Phone (323) 463-4220

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LARCHMONT VILLAGE PBID COMMITTEE

MINUTES OF MEETING

December 20, 2004

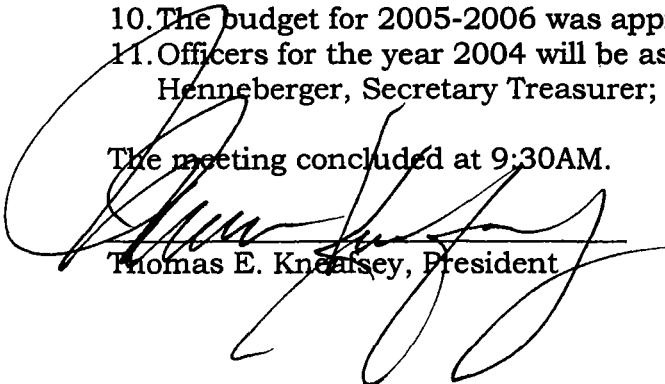
IN ATTENDANCE: Tom Kneafsey, President
Joane Henneberger,
Roger Sherwood, AIA
Eva Yamamoto

EXCUSED: Mary Frances Fenady, Cutler Dippell

The meeting was called to order at 8:00AM. The following issues were discussed:

1. A discussion ensued regarding the possibility of forming an "Upper Larchmont" BID. In the event this occurred there would be a possibility of joining the 2 organizations under one umbrella. This would only occur if Upper Larchmont went through the efforts of creating the entity.
2. The City needs to be contacted regarding the lack of street sweeping. For months there has been no street sweeping and the gutters are full of trash. The Councilman's Office will be contacted.
3. The BID management plan allows for an annual CPI increase with a cap of 3%. The most recent information on the annual change in the CPI for Los Angeles/Long Beach area All Urban Consumers is 4.4%. A motion was made by Eva to allow for a 3% increase, this was seconded by Tom Kneafsey and approved by all present.
4. Joane also reported that some modification will be done to the crosswalks, stone planters, handicap curbs and the stop sign poles will be painted white. The cost of putting in "smart crosswalks" was too costly.
5. Tom reported that Steve from Village Pizza has been calling regarding the tree wells. He feels, and I agree with him, that they present a hazard and something needs to be done either sand gravel or some type of filler is needed.
6. Tom gave an update on the newsrack ordinance that is pending and if approved will be a big improvement for the esthetics for Larchmont Blvd.
7. Tom gave a report on the porter service which is now 4 hours on Thursdays, Saturdays and Sundays.
8. All the expenses were reviewed and are consistent with the budget.
9. An update was given by Joane regarding the security and there is a high level of satisfaction.
10. The budget for 2005-2006 was approved and a copy attached.
11. Officers for the year 2004 will be as follows: Tom Kneafsey, President; Joane Henneberger, Secretary Treasurer; and Mary Frances Fenady, Vice President.

The meeting concluded at 9:30AM.


Thomas E. Kneafsey, President

This card is available on the Internet on the day of publication at <http://www.bls.gov/ro9/pachist.htm>. This card is also available on our Fax-On-Demand service. To obtain a copy call 415-975-4567. When asked for a document number, enter 9100. Eleven prior months are also on the the Fax-On-Demand system, to receive a copy of November 2004, enter 9111, October 2004, enter 9110, September 2004, enter 9109, August 2004, enter 9108, July 2004, enter 9107, June 2004, enter 9106, etc.

CONSUMER PRICE INDEXES PACIFIC CITIES AND U. S. CITY AVERAGE

DECEMBER 2004

ALL ITEMS INDEXES

(1982-84=100 unless otherwise noted)

MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending		1 Month ending				Year ending		1 Month ending
	Dec 2003	Nov 2004	Dec 2004	Nov 2004	Dec 2004	Dec 2004	Dec 2003	Nov 2004	Dec 2004	Nov 2004	Dec 2004	Dec 2004
U. S. City Average.....	184.3	191.0	190.3	3.5	3.3	-0.4	179.9	186.8	186.0	3.7	3.4	-0.4
(1967=100).....	552.1	572.2	570.1	-	-	-	536.0	556.3	554.2	-	-	-
Los Angeles-Riverside-Orange Co.....	187.0	196.9	195.2	5.2	4.4	-0.9	180.2	190.3	188.5	5.4	4.6	-0.9
(1967=100).....	552.6	581.8	576.7	-	-	-	532.7	562.5	557.2	-	-	-
West	188.3	195.1	194.2	3.5	3.1	-0.5	183.3	190.2	189.4	3.7	3.3	-0.4
(Dec. 1977 = 100)	304.4	315.3	314.0	-	-	-	294.9	306.1	304.7	-	-	-
West - A*.....	190.6	197.6	196.5	3.5	3.1	-0.6	183.9	191.2	190.2	3.7	3.4	-0.5
(Dec. 1977 = 100)	310.8	322.2	320.5	-	-	-	297.8	309.5	307.9	-	-	-
West - B/C** (Dec. 1996=100).....	115.2	119.3	119.0	3.8	3.3	-0.3	114.8	118.9	118.6	3.8	3.3	-0.3
BI-MONTHLY DATA	All Urban Consumers (CPI-U)						Urban Wage Earners and Clerical Workers (CPI-W)					
	Indexes			Percent Change			Indexes			Percent Change		
				Year ending		2 Months ending				Year ending		2 Months ending
	Dec. 2003	Oct. 2004	Dec. 2004	Oct. 2004	Dec. 2004	Dec. 2004	Dec. 2003	Oct. 2004	Dec. 2004	Oct. 2004	Dec. 2004	Dec. 2004
San Francisco-Oakland-San Jose.....	195.3	200.3	199.5	2.0	2.2	-0.4	191.1	196.4	195.9	2.3	2.5	-0.3
(1967=100).....	600.5	615.8	613.3	-	-	-	581.9	598.1	596.5	-	-	-
Seattle-Tacoma-Bremerton.....	191.0	196.5	195.1	1.4	2.1	-0.7	185.3	191.6	190.3	2.0	2.7	-0.7
(1967=100).....	582.2	598.9	594.9	-	-	-	549.5	568.2	564.5	-	-	-

* A = 1,500,000 population and over

** B/C = less than 1,500,000 population

Dash (-) = Not Available.

Release date January 19, 2005. The next monthly release is scheduled for February 23, 2005 and the next bi-monthly release is scheduled for March 23, 2005. The next semi-annual release is scheduled for February 23, 2005.

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Addendum to the Larchmont Village Property and Business Improvement District's 2005 Annual Planning Report submitted by the Larchmont Village Property Owners' Association

District Boundary Changes for Fiscal Year 2005

There are no proposed changes in the boundaries within the Larchmont Village Property and Business Improvement District (District) for fiscal year 2005.

District Improvements and Activities for Fiscal Year 2005

The Improvements and Activities for fiscal year 2005 include: Sidewalk Cleaning, Sidewalk Porter, Sidewalk Supplies, Sidewalk Repair; Tree Trimming; Sidewalk Security; Administrative and Management Services; Insurance; and Miscellaneous costs.

Estimate Cost of District Improvements and Activities for Fiscal Year 2005

Maintenance	
Sidewalk Cleaning	\$8,700
Sidewalk Porter	\$13,500
Sidewalk Supplies	\$2,500
Sidewalk Repair	\$15,500
Tree Trimming	\$12,000
Security	\$22,000
Administration	
Management Services	\$4,500
Insurance	\$4,500
Miscellaneous	<u>\$200</u>
Total	\$83,400

Method and Basis of Levying the District Assessment

The Method and Basis of levying the Annual Assessment is based on linear street frontage of each assessable parcel at a rate of \$32.12 (31.1187) per linear foot of street frontage along North Larchmont Boulevard. In accordance with the CPI Index for the Los Angeles region, the District's Owners' Association approved an annual assessment rate increased of 3 percent (the maximum amount allowed by the District's Management District Plan) for fiscal year 2005.

Amount of Surplus or Deficit to be Carried Over from a Previous Fiscal Year

There is a surplus of \$17,405 to be carried forward into fiscal year 2005.
There are no deficit revenues to be carried forward from a previous fiscal year.

Contributions to the District from Other Sources

There are no contributions to the District from sources other than assessments levied for fiscal year 2005.